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6th
grade spelling bee. Super-nerd.

Jan 27 · 9 min read

10 Price Predictions for 10 Top Cryptocurrencies — February 2018

So, you're sitting at your computer with money to invest.

You have made some good money already in the market, but you want more.

Cryptocurrencies have reached a record **$600 billion in market value** after the recovery, with the inevitable $700 billion mark right around the corner.

The price movement of top currencies remains a mystery. But it doesn't have to be.

THE PAIN OF UNCERTAINTY

Cryptocurrencies are volatile, irrational beasts.

Simple methods of forecasting grossly over/underestimate the potential of a volatile currency.

For example, moving averages are used frequently to estimate future prices. Moving averages, however, suffer from many pitfalls that make them poor estimators of volatile markets.

Every great and successful investor has a plan. You will add one more tool to your arsenal today.

A BETTER METHOD FOR ESTIMATING CRYPTO PRICES

In my prior article about estimating the movement of Bitcoin Prices, I spoke of a method that is used frequently in the stock world to estimate prices.

This method is a Monte Carlo simulation using the geometric Brownian motion model.

I won't cover off on the full methodology here, but essentially I am going to:

1. Get historical daily prices for 10 top cryptocurrencies

2. Calculate daily returns

3. Simulate a year

4. Simulate a year many times

By the end of the article, you will have the following:

- A one-year simulation of top cryptocurrencies

- Likely price range of each cryptocurrency
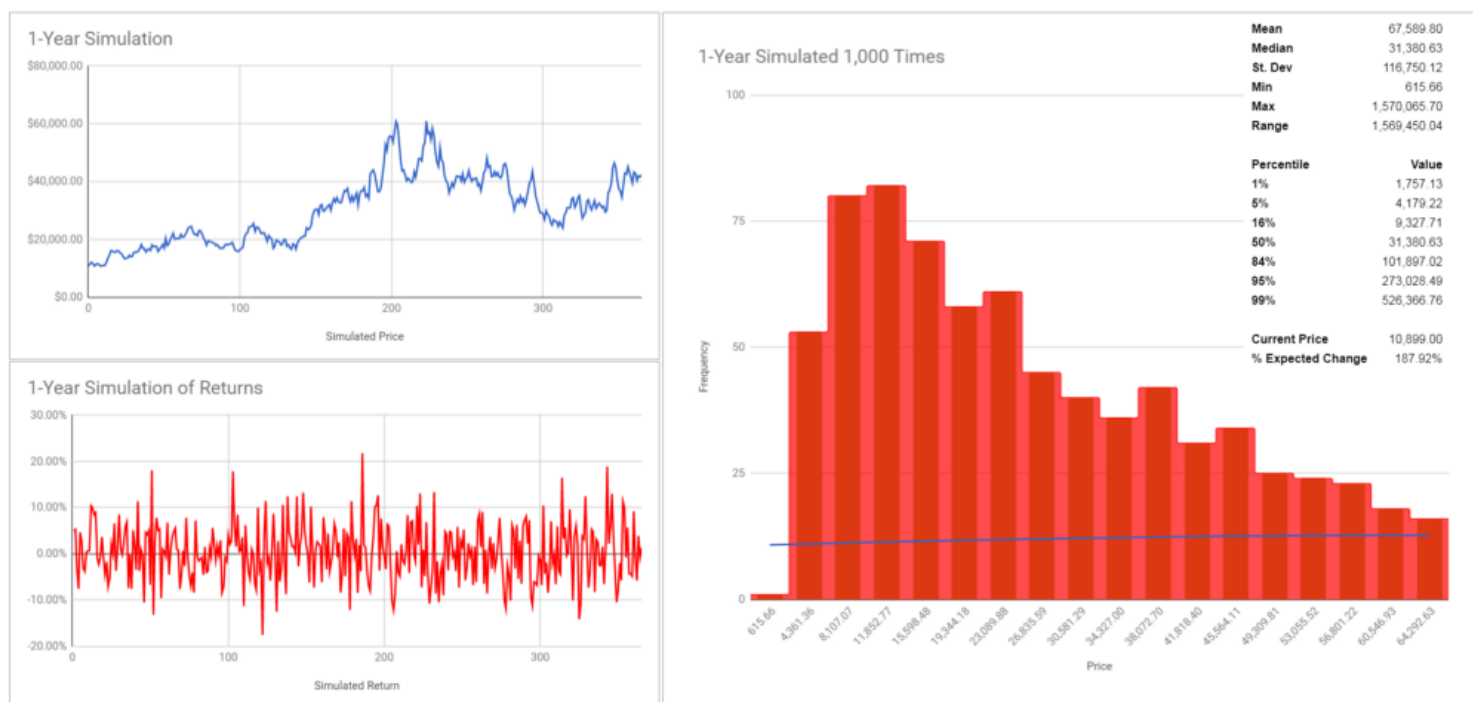
- A downloadable model to complete yourself

A note on forecasting, simulations, and recommendations: Monte Carlo simulations are to be used as guidelines and tools, not as gospel. I am not offering financial or investing advice.

BITCOIN

What is Bitcoin?

You know what Bitcoin is, stop it.

Simulations

Verdict

We can be 95% certain that **Bitcoin prices will fall between $4,179, and $273,028 with a median of $31,380**.
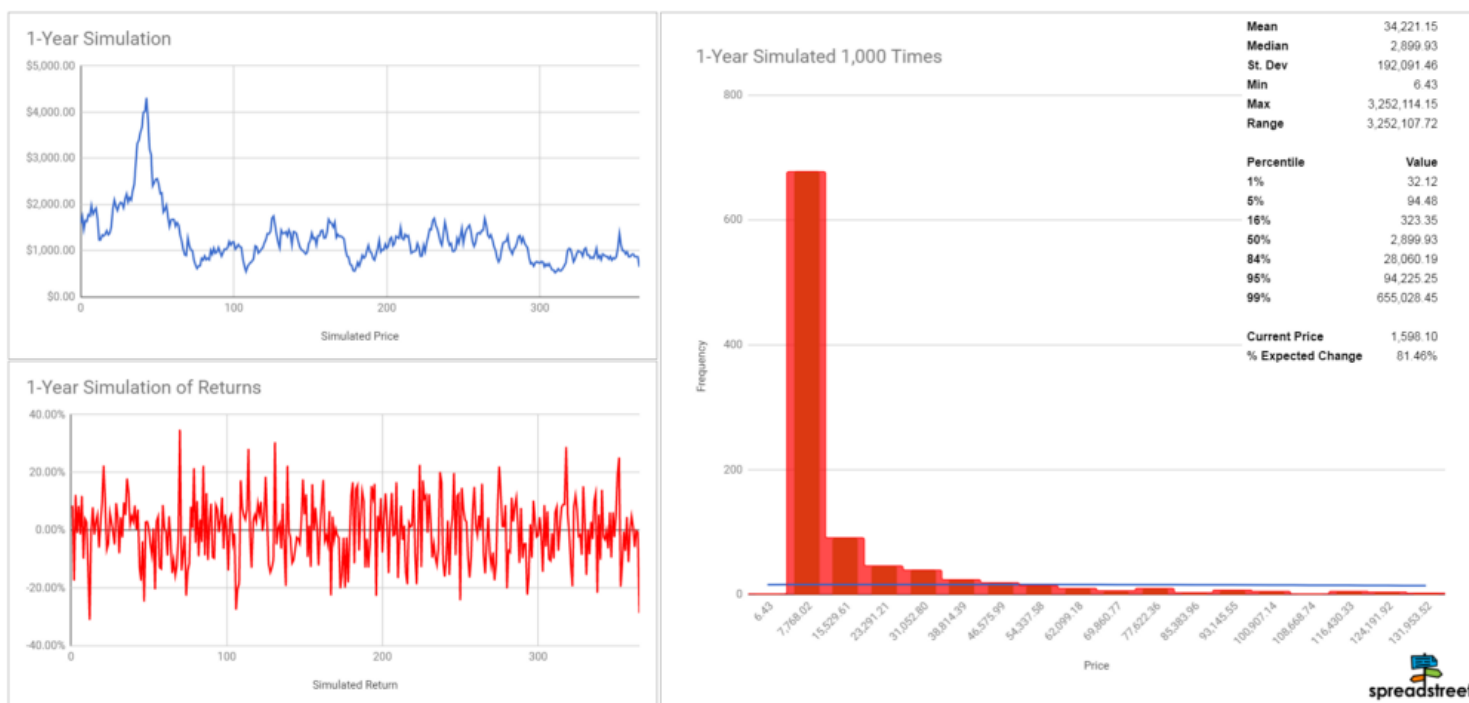
BITCOIN CASH

What is Bitcoin Cash?

From the Bitcoin Cash project website:

> *"Bitcoin Cash is peer-to-peer electronic cash for the Internet. It is fully decentralized, with no central bank and requires no trusted third parties to operate."*

Really, it was an additional currency that was created after a fork from Bitcoin core.

Simulations

Verdict

We can be 95% certain that **Bitcoin Cash prices will fall between $94, and $94,225 with a median of $2,899.**
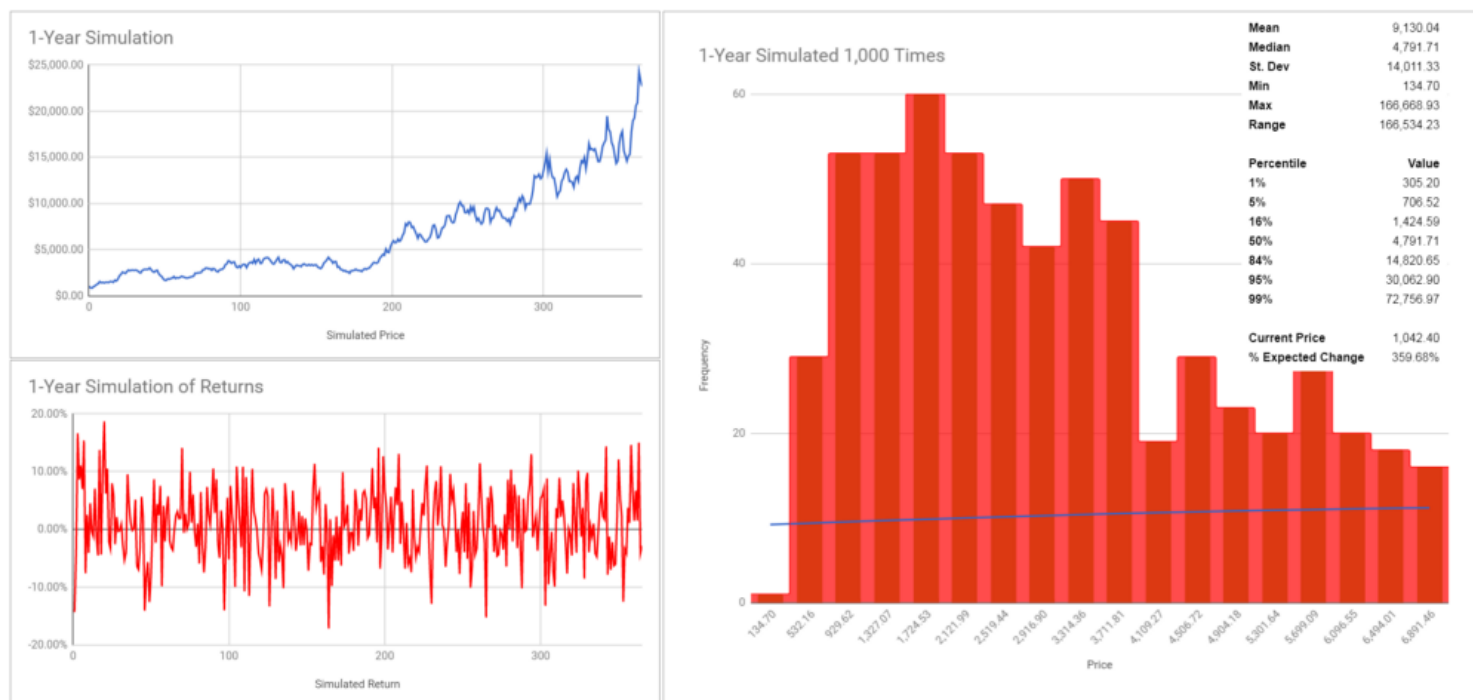
ETHEREUM

What is Ethereum?

Ethereum is a decentralized platform that runs smart contracts: applications that run exactly as programmed without any possibility of downtime, censorship, fraud or third party interference.

Ethereum has been busy recently. Multiple steps have been pushed in motion for the upcoming large change—reaching a new consensus method.

From Jordan Daniel at ethnews.com:

> *Ethereum's Byzantium hard fork was only one half of a two-part process designed to transition the decentralized application platform to a new method for reaching consensus—proof-of-stake. The next hard fork, called Constantinople, was recently discussed during an Ethereum core developer meeting and could include Vitalik Buterin's Casper update.*

Simulations

Verdict

We can be 95% certain that **Ethereum prices will fall between $706, and $30,062 with a median of $4,791**.

EOS

What is EOS?

EOS is a blockchain-based, decentralized operating system, designed to support commercial-scale decentralized applications by providing all of the necessary core functionality, enabling businesses to build blockchain applications in a way similar to web-based applications.

Simulations
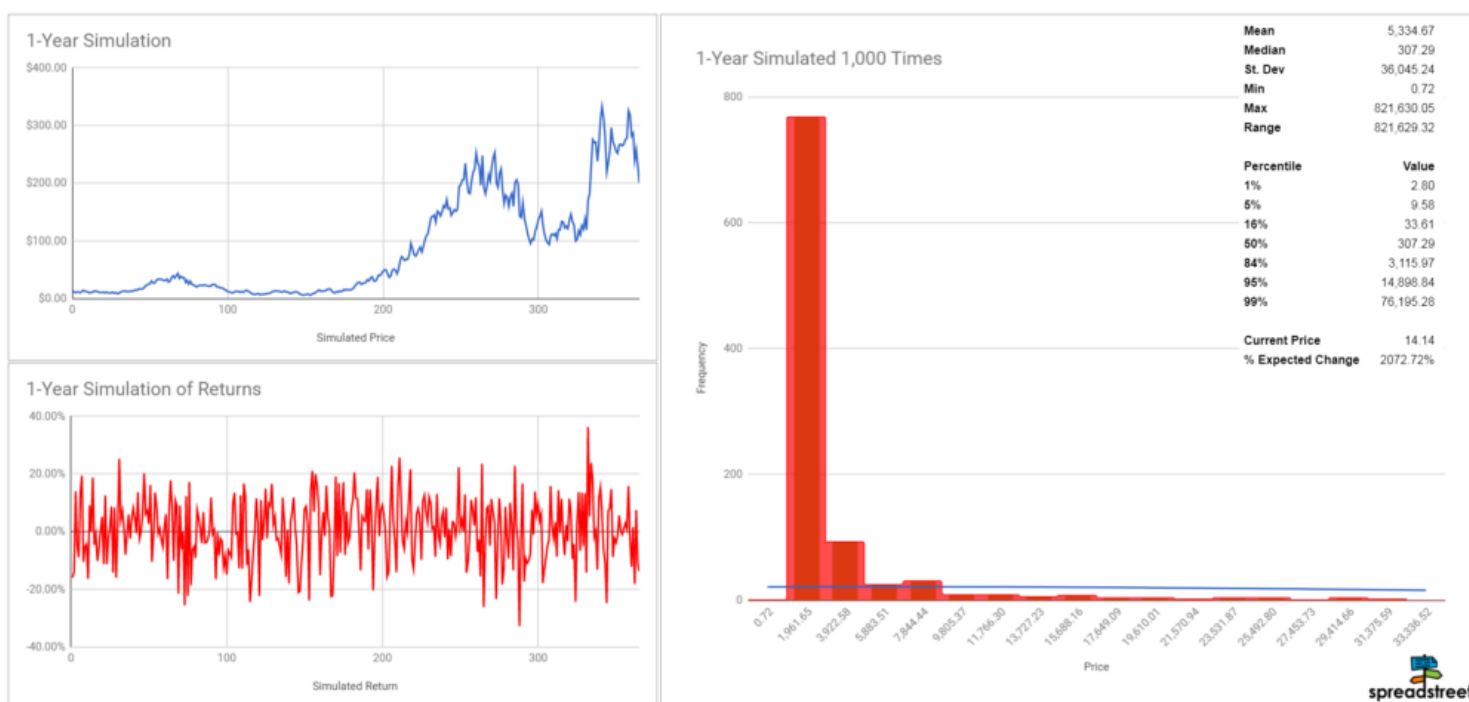
Verdict

We can be 95% certain that **EOS prices will fall between $9.58, and $14,898 with a median of $307.**
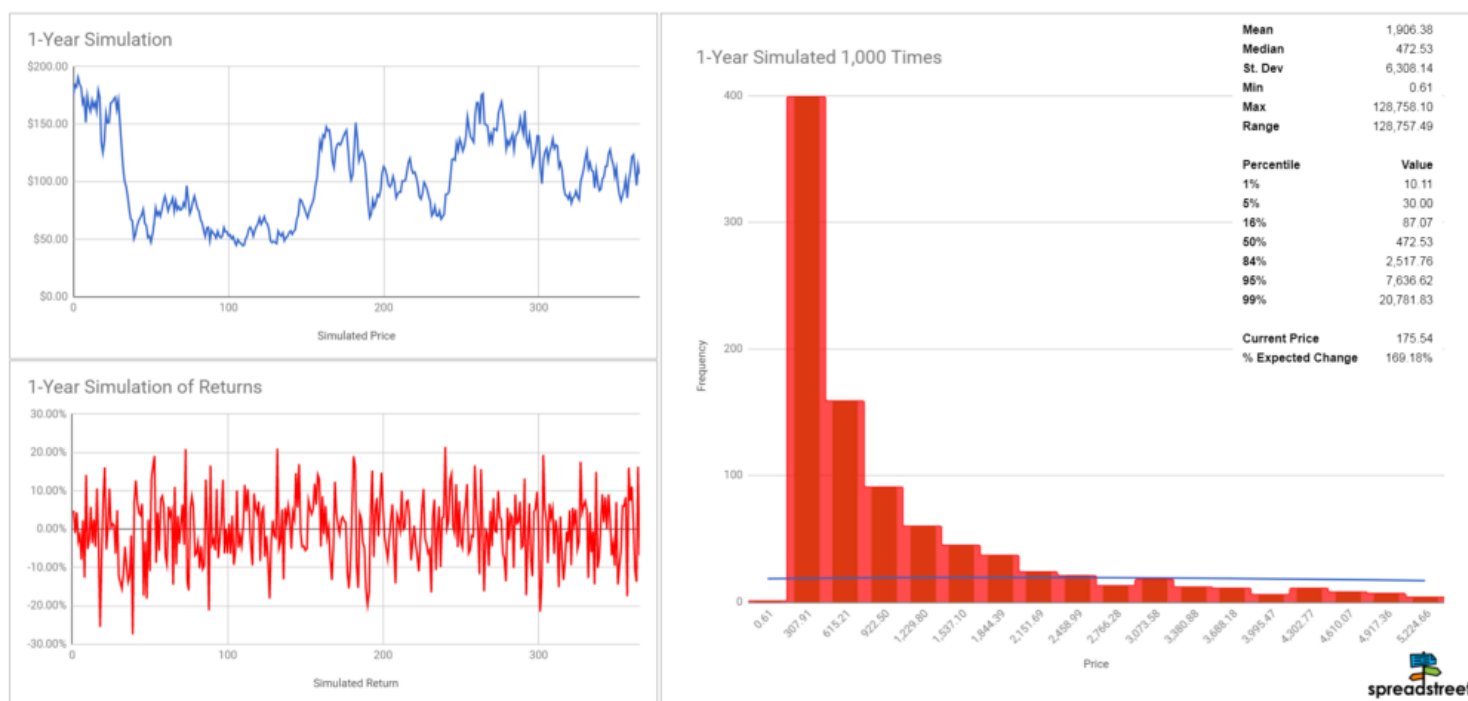
LITECOIN

What is Litecoin?

Litecoin is a peer-to-peer Internet currency that enables instant, near-zero cost payments to anyone in the world. Litecoin is an open source,

global payment network that is fully decentralized without any central authorities.

Mathematics secures the network and empowers individuals to control their own finances. Litecoin features **faster transaction confirmation times** and improved storage efficiency than the leading math-based currency.

With substantial industry support, trade volume and liquidity, Litecoin is a proven medium of commerce complementary to Bitcoin.

Simulations

Verdict

We can be 95% certain that **Litecoin prices will fall between $30, and $7,636 with a median of $472**.

OMISEGO

What is OmiseGO?

OmiseGO is building a couple of things:

1. Decentralized exchange

2. Liquidity provider mechanism

3. Clearinghouse messaging network

4. Asset-backed blockchain gateway

OmiseGO is not owned by any single one party. Instead, it is an open distributed network of validators which enforce behavior of all participants.

According to Blocknight:

> *Also, OmiseGo counts Vitalik Buterin (Ethereum), and Joseph Poon (Lightning Network Co Author) among their advisers. Joseph Poon is actually billed as author of the OmiseGo whitepaper.*

Those are some pretty big names.

Simulations
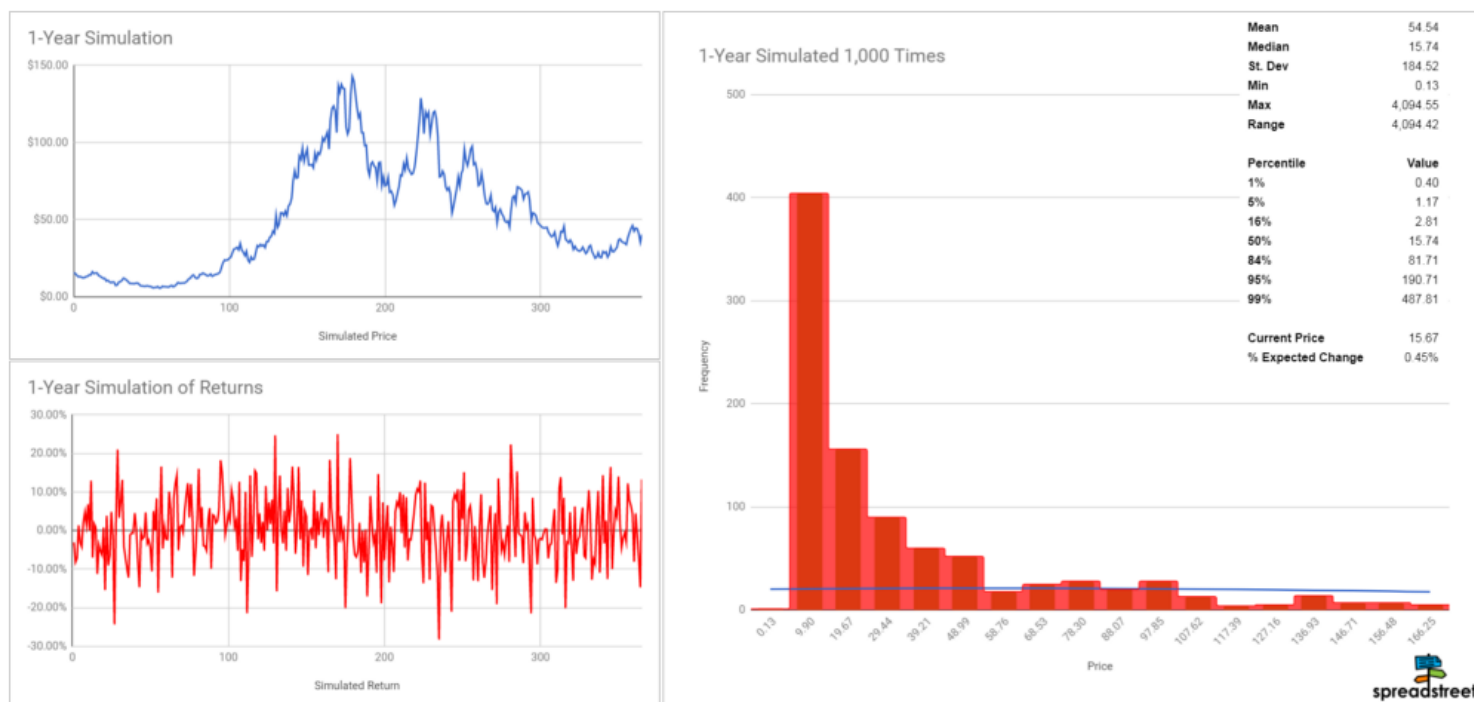
Verdict

We can be 95% certain that **OmiseGO prices will fall between $1.17, and $190.71 with a median of $15.74**.

NEO

What is NEO?

NEO (formerly known as AntShares) is a smart asset platform and the first open source public blockchain project in China. Smart assets are the combination of smart blockchain contracts and digital assets.

Simulations
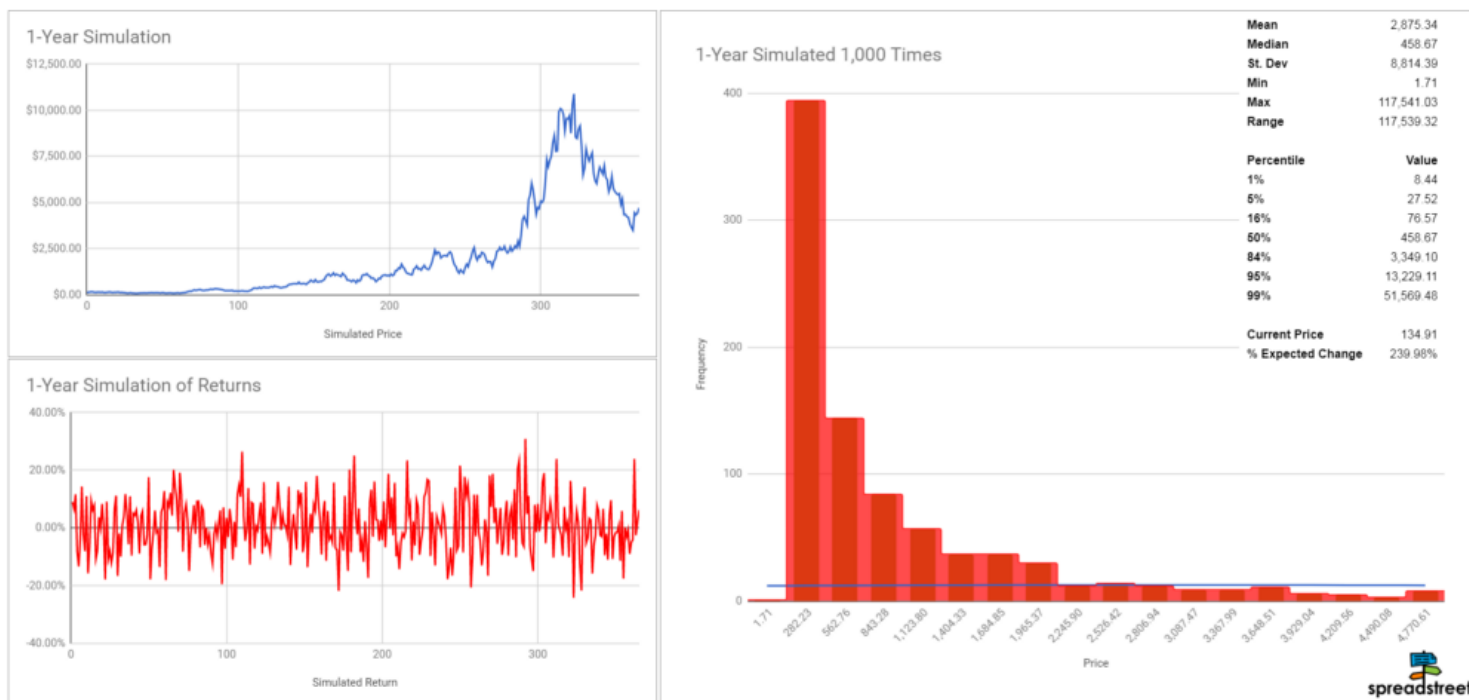
Verdict

We can be 95% certain that **NEO prices will fall between $27, and $13,229 with a median of $458**.

RIPPLE

What is Ripple?

Ripple is a system created for banks to enable immediate payments and lower costs.

The vision of the Ripple creators is to allow a bank transfer in a few seconds (instead of the horribly annoying 2–3 business days).

Of note, is that Ripple is a U.S. based company. From the xrphodor blog:

> *Ripple is a US-based company.*

> *Why is this an important point to consider? A US-based company like Ripple is subject to some very stringent laws regarding securities trading and money transmission. These include requirements that define how Ripple might interact with crypto markets and both institutional and retail crypto traders.*

Simulations
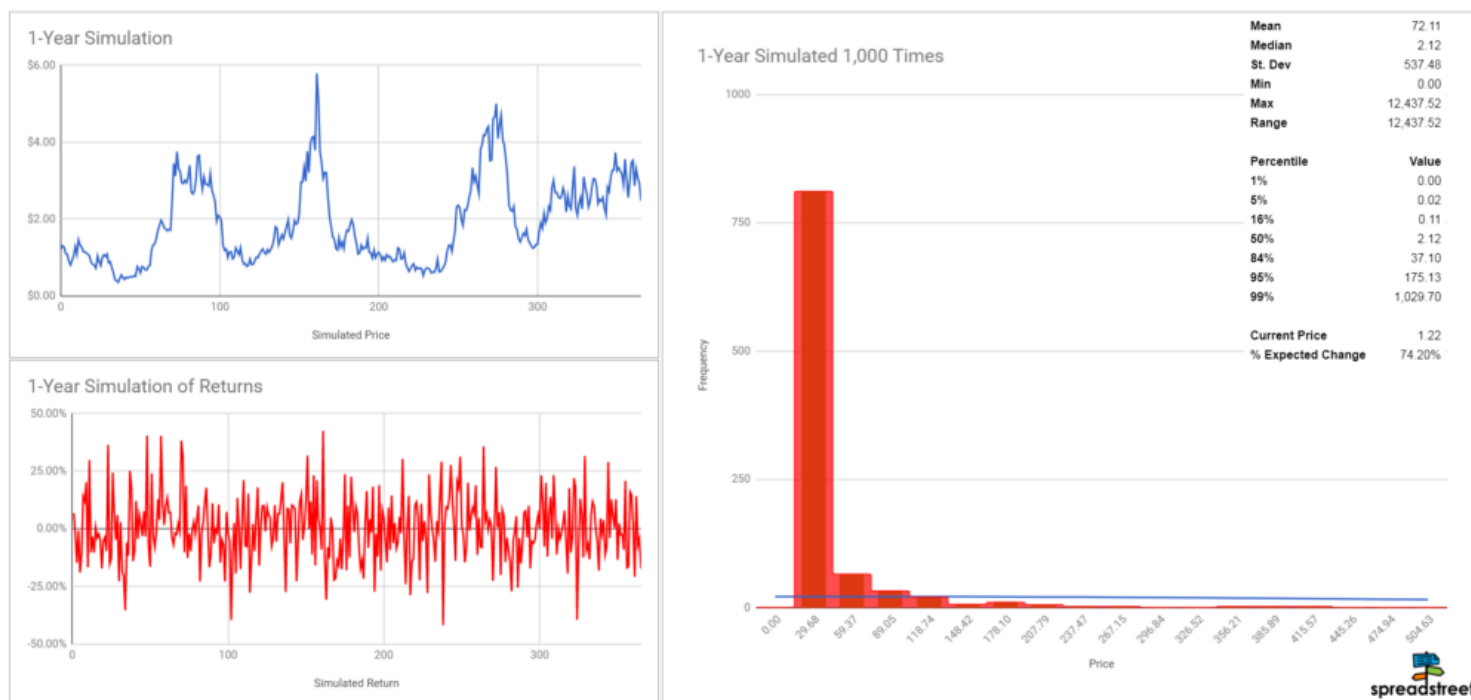
Verdict

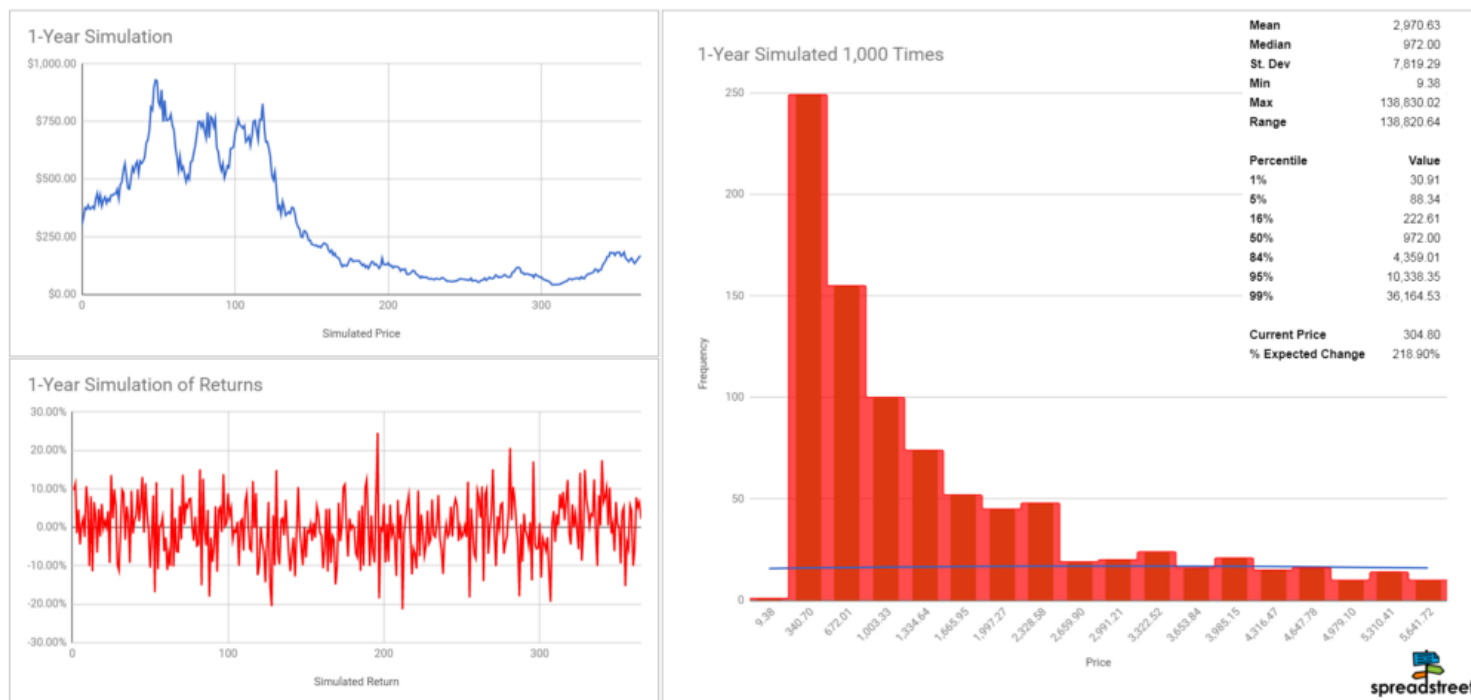We can be 95% certain that **Ripple prices will fall between $0.02, and $175 with a median of $2.12**.

MONERO

What is Monero?

Monero attempts to solve privacy and fungibility issues that persist in Bitcoin.

Part of the algorithm for Monero automatically mixes transactions with previous transactions and does this by implementing ring signatures.

Simulations

Verdict

We can be 95% certain that **Monero prices will fall between $88, and $10,338 with a median of $972**.
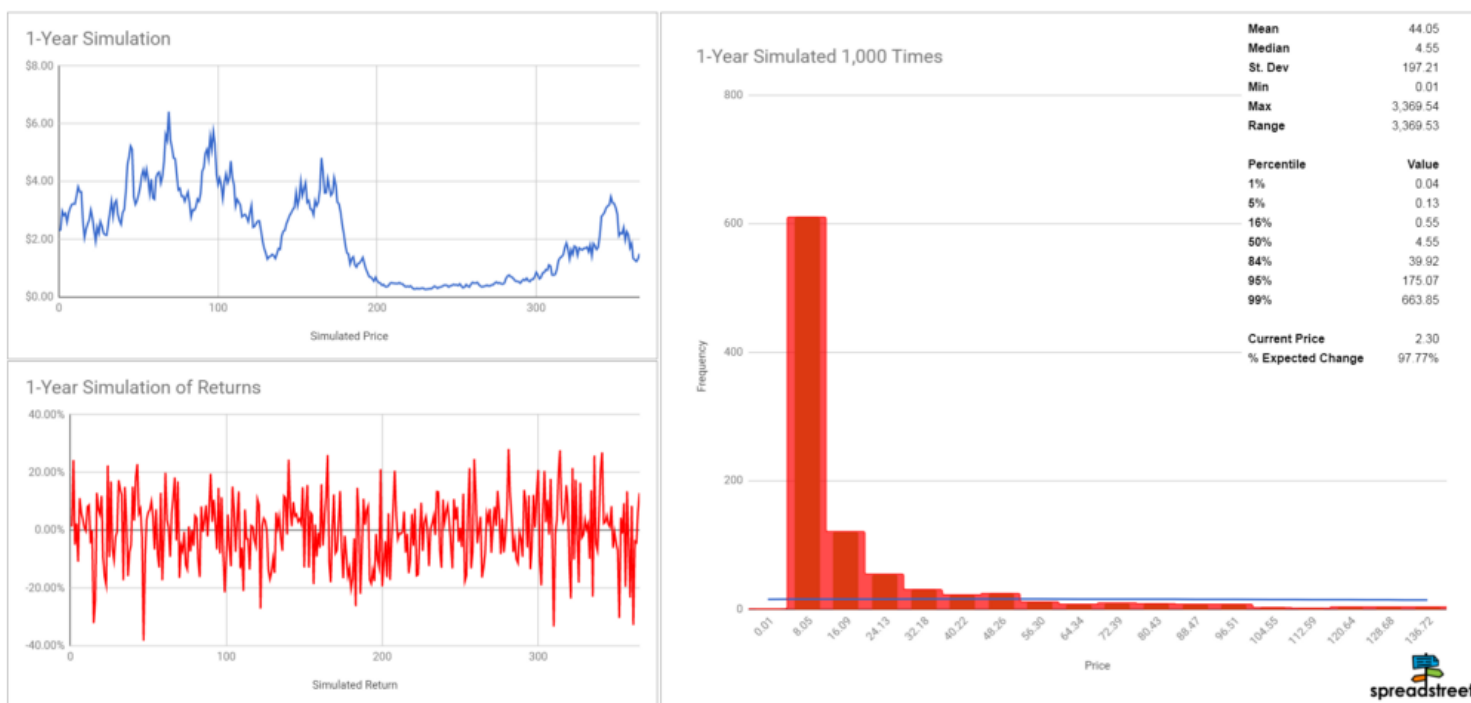
IOTA

What is IOTA?

IOTA enables companies to explore new business-2-business models by making every technological resource a potential service to be traded on an open market in real time, with no fees.

The main innovation behind IOTA is the **Tangle**, a revolutionary new blockless distributed ledger which is scalable, lightweight and for the first time ever makes it possible to transfer value without any fees.

Contrary to today's Blockchains, consensus is no-longer decoupled but instead an intrinsic part of the system, leading to decentralized and self-regulating peer-to-peer network.

Simulations

Verdict

We can be 95% certain that **IOTA prices will fall between $0.13, and $175 with a median of $4.55**.

YOUR VERY OWN FORECASTING TOOL

Since i'm so nice, I went ahead and created a forecasting tool for you to use.

SERVICES USED:

1. Google Sheets

2. Spreadstreet Google Sheets Add-in

3. StockTwits

4. CoinMarketCap API

Full disclosure: The google sheets add-in is a 14-day free trial, and $15 per month after. However, no one should be refused access on the basis of money (especially true for students and less fortunate). Send me a message, and I will make sure you are not left in the dark.

A NOTE ON SECURITY

Users have expressed hesitation about running a google sheets add-in on their main computer, so I will attempt to ease those concerns:

- I am located in the U.S., and my business is registered in the state of Maryland

- If this were malicious, people would have downvoted the add-in into oblivion, and it would have been removed from the store

- **If you are still worried, you can open it within a virtual machine and test it first**

WHAT IT PULLS:

- 90-day history of ~24 different cryptocurrencies

- 1-Year simulation of prices

- 1-Year simulation of returns

- 1-Year simulation ran 1,000 times

GETTING THE SPREADSHEET TO WORK FOR YOU

1. Install the Spreadstreet add-in for Google Sheets

- Click this link to download the Spreadstreet Google Sheets Add-in

- Follow the installation instructions included with the add-in and log-in

2. Get sheet ready for use with the add-in

- Important Open the template, click the menu Add-ons / Spreadstreet / Help / View in store, and then click Manage and in the dropdown menu click Use in this document.

- Login to the Spreadstreet add-in for the first time (Add-ons -> Spreadstreet -> Open) and keep the window open

3. After logging into the add-in, change the dropdown reference

- In the analysis tab, change the "SELECT CURRENCY" dropdown (B3) to one of the other choices…this refreshes the pull

- Note: CoinMarketCap API has limits. Be careful when attempting to refresh the sheet too many times

TROUBLESHOOTING

1. *Important* Open the template, click the menu Add-ons / Spreadstreet / Help / View in store, and then click Manage and in the dropdown menu click "Use in this document."

2. A reload of the entire worksheet fixes quite a few problems.

3. Deleting and re-pasting the formula in A1 of the "Candles" tab fixes things as well.

4. If all else fails, drop me a message

5. The "SELECT CURRENCY" cell in the Analysis tab (B3) refreshes the pull. Change the results for new data.

When I try and change a coin, I get a #DIV/0 error

Login to the Spreadstreet add-in, and keep the window open. Try changing the dropdown again.

I have tried logging in, activating the template with "Use in this document" and refreshed the sheet…still nothing.

Head to the "Data" tab. Delete the formula in cell A1, and repaste the following: =SS("candles-bitfinex", ticker, "1D", "hist", true, "", "", "", "0")

CONCLUSION

Whether you are investing in Bitcoin, Ethereum, or SpankCoin, it is imperative to have a plan. Most notably, a worst-case scenario.

The Monte Carlo simulation is a fantastic way to get a range of prices for a cryptocurrency. And after reading this, you can see how the final values change drastically depending on what you are looking at.

I urge you to download the sheet and try your own hand at simulating different coins. The sheet is setup to pull in every single coin from CoinMarketCap.

Cheers, and happy hunting!

RELATED POSTS

[Financial Modeling for Cryptocurrencies: The spreadsheet that got me my first 1,000% gain](#)

[A Super Simple Cryptocurrency Arbitrage Spreadsheet for Finding Mismatched Prices](#)

[Bitcoin Madness: How to Simulate Bitcoin Prices in Google Sheets](#)

[7 Smart Ethereum Price Prediction Methods for HODL'ers](#)

About John Young

John Young is the founder of Spreadstreet, former financial analyst for a big-ass company, and runner-up in the 6th grade spelling bee. He would have invested in Google if he knew about it...and had any money.

He is the author of the Spreadstreet blog, which has over 3 readers (not a typo). He hopes to hit 10, but honestly writing is a lot of work.